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Federal Communications Commission
Washington, DC 20554

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of

Amendment of Part 1 of the
Commission's Rules --
Competitive Bidding Proceeding

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WT Docket No. 97-82

To: The Commission

DOCKET NO. 97-82

COMMENTS OF THE ALARM INDUSTRY COMMUNICATIONS COMMITTEE

The Alarm Industry Communications Committee of the Central Station Alarm Association ("AICC"), by its attorney, hereby submits its comments in response the the FCC's *Order, Memorandum Opinion and Order and Notice of Proposed Rule Making* in the above-captioned proceeding. For the reasons set forth below, AICC believes it would be inappropriate for the Commission to apply the rules adopted in this proceeding to any future auction of private user channels, if the Commission should ever be granted the authority to do so.

In this docket, the Commission is proposing to create a generic "menu" of auction rules that can be applied to all future auctions. One of the Commission's goals is to obviate the need for a separate rulemaking each time a portion of spectrum is to be auctioned. AICC understands the efficiency goal underlying this proposal. However, AICC is concerned that the generic auction rules will not be appropriate for auctioning certain types of licenses for radio operations in the future.

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In particular, the Commission has raised the possibility of auctioning Part 90 spectrum in PR Docket No. 92-235. The Commission currently lacks statutory authority to auction the spectrum allocated to the Private Radio Services ("PRS"). AICC and the vast majority of the industry are on record vehemently opposing any auction of Part 90 spectrum. In the unlikely chance that the Commission is authorized to conduct such auctions in the future, the generic auction rules proposed in this proceeding would be wholly inappropriate for use in a Part 90 auction.

The generic menu of rules are naturally based on the Commission's experience in the auctions it has held to date. For the most part, these auctions have entailed Personal Communications Service ("PCS") spectrum, or other frequency bands which have high commercial value and which have not been heavily licensed. None of the prior auctions have involved shared frequencies.¹ Moreover, any Part 90 auction would involve licensees ranging in size from giant corporations to landscaping contractors with two trucks in their fleet of vehicles. Therefore, the proposed generic rules would need to be fundamentally adjusted in virtually every respect (including size of the licensed service area, required upfront payment, minimum initial bid, minimum bid increment, activity rules, down payment and installment payment requirements), in order to account for these unique and wide-ranging circumstances. AICC believes with good reason that such an auction would be

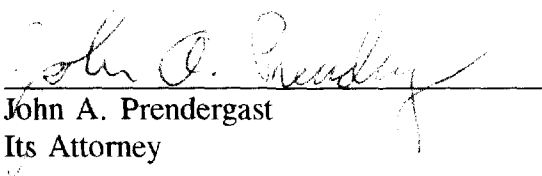
¹ Indeed, the Commission has decided to exempt shared paging frequencies from the paging auction scheme recently adopted in WT Docket No. 96-18, in recognition of the administrative difficulties of auctioning such channels. *See, Second Report and Order and Further Notice of Proposed Rulemaking*, WT Docket No. 96-18, FCC 97-59 (rel. February 24, 1997).

unworkable, and would severely disrupt existing operations. In any event, industry participation in crafting appropriate auction rules and procedures would be critical. Many existing users, such as AICC's members, provide vital public safety related services. In particular, these entities provide alarm monitoring services in order to protect homes and businesses from intruders, and to detect life-threatening fires. Therefore the public interest would not be served by applying the generic rules adopted in this proceeding without the benefit of further industry participation in the wake of any enabling legislation.

In light of the foregoing, AICC respectfully requests that the Commission refrain from applying any generic auction rules which are adopted in this proceeding to any future auction of spectrum that is currently allocated to the PRS. Such a "one-size-fits-all" approach to spectrum management would not be appropriate in an environment that is typified by shared frequencies and a diverse range of radio users.

Respectfully submitted,

THE ALARM INDUSTRY COMMUNICATIONS COMMITTEE

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